

Senate Study Bill 3210

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
JUDICIARY BILL BY
CHAIRPERSON KREIMAN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to scrap metal transactions, prohibiting certain
2 sales, imposing criminal penalties, and providing an effective
3 date.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 6023SC 82
6 tw/nh/5

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1 1 Section 1. NEW SECTION. 80.43 SCRAP METAL TRANSACTIONS
1 2 AND REPORTING == PENALTIES.
1 3 1. DEFINITIONS. For purposes of this section, and unless
1 4 the context otherwise requires, the following definitions
1 5 shall apply:
1 6 a. "Scrap metal" means any of the following items where
1 7 the item is the subject of a transaction in which the purchase
1 8 price is based primarily on the value of the metal contained
1 9 in the item:
1 10 (1) Wire, cable, bars, ingots, wire scraps, pieces,
1 11 pellets, clamps, aircraft parts, pipes, or connectors made
1 12 from aluminum. For purposes of this subparagraph, "aluminum"
1 13 does not include food or beverage containers.
1 14 (2) Catalytic converters containing platinum, palladium,
1 15 or rhodium.
1 16 (3) Copper, titanium, tungsten, or nickel in any form.
1 17 (4) Metal beer kegs.
1 18 b. "Scrap metal dealer" means any person operating a
1 19 business at a fixed location that is engaged in one of the
1 20 following activities:
1 21 (1) Buying, selling, procuring, collecting, gathering,
1 22 soliciting, or dealing in scrap metal.
1 23 (2) Operating, managing, or maintaining a scrap metal
1 24 yard.
1 25 c. "Scrap metal yard" means any yard, plot, space,
1 26 enclosure, building, or other place where scrap metal is
1 27 collected, gathered together, stored, or kept for shipment,
1 28 sale, or transfer.
1 29 2. INFORMATION AND IDENTIFICATION REQUIRED.
1 30 a. A person shall not sell scrap metal to a scrap metal
1 31 dealer in this state unless the person provides to the scrap
1 32 metal dealer, at or before the time of sale, the person's
1 33 name, address, and place of business, if any, and presents to
1 34 the scrap metal dealer a valid driver's license or
1 35 nonoperator's identification card.
2 1 b. A scrap metal dealer shall not purchase scrap metal
2 2 without demanding and receiving the information required by
2 3 this subsection.
2 4 3. REGISTER OF TRANSACTIONS. A scrap metal dealer shall
2 5 keep a register or log of each transaction, including a record
2 6 of the information required by subsection 2, a description of
2 7 the item purchased, the price paid for the item, and a copy of
2 8 the driver's license or nonoperator's identification card
2 9 required pursuant to subsection 2. All records and
2 10 information kept pursuant to this subsection shall be retained
2 11 for at least two years, and a copy or computer printout of the
2 12 information shall be furnished to a law enforcement agency
2 13 upon request.
2 14 4. PAYMENT AND REPORTS.
2 15 a. A scrap metal dealer shall not provide payment to a
2 16 person selling scrap metal at the time of the transaction if
2 17 the transaction is for copper or aluminum wire with a diameter

2 18 of at least three-eighths of an inch or the value of the
2 19 transaction is more than three hundred dollars. Payment shall
2 20 instead be made by check or money order mailed to the person's
2 21 permanent home or business address as provided to the scrap
2 22 metal dealer pursuant to subsection 2.
2 23 b. A scrap metal dealer mailing payment for a transaction
2 24 pursuant to this subsection shall do both of the following:
2 25 (1) File a report with the department of public safety
2 26 noticing the receipt of the scrap metal. The report shall
2 27 include the details from the register or log of the
2 28 transaction required by subsection 3.
2 29 (2) Keep the scrap metal received in the physical custody
2 30 and control of the scrap metal dealer for at least seven days
2 31 after filing the report.

2 32 5. EXEMPTIONS. The following scrap metal transactions are
2 33 exempt from the requirements of this section:

2 34 a. Transactions in which the total sale price is fifty
2 35 dollars or less, except transactions for the sale of catalytic
3 1 converters.

3 2 b. Transactions for the sale of catalytic converters in
3 3 which the total sale price is thirty dollars or less.

3 4 c. Transactions in which a scrap metal dealer is selling
3 5 scrap metal.

3 6 d. Transactions in which the person selling the scrap
3 7 metal is known to the scrap metal dealer purchasing the scrap
3 8 metal to be the officer, employee, or agent of an established
3 9 business, operating from a fixed location, that may reasonably
3 10 be expected to produce scrap metal during the operation of the
3 11 business.

3 12 6. CRIMINAL PENALTIES. A person who violates this section
3 13 is guilty of a simple misdemeanor. However, a person who
3 14 violates this section three or more times within a two-year
3 15 period is guilty of a serious misdemeanor.

3 16 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
3 17 immediate importance, takes effect upon enactment.

3 18 EXPLANATION

3 19 This bill relates to scrap metal sales.

3 20 The bill prohibits persons from selling scrap metal to a
3 21 scrap metal dealer without providing identification and
3 22 certain information such as a permanent address.

3 23 The bill prevents scrap metal dealers from making on the
3 24 spot payment to persons selling scrap metal if the transaction
3 25 is for more than \$300 or if it is for copper or aluminum wire
3 26 three-eighths of an inch or more in size.

3 27 The bill exempts certain transactions of small dollar
3 28 amounts and transactions in which the person selling the scrap
3 29 metal is a scrap metal dealer or in which the person selling
3 30 is known to the scrap metal dealer as an established business
3 31 that generates scrap metal.

3 32 The bill requires scrap metal dealers to keep records of
3 33 transactions for at least two years and to provide that
3 34 information to law enforcement agencies upon request.

3 35 The bill imposes criminal penalties for violations. A
4 1 person who violates the Code chapter is guilty of a simple
4 2 misdemeanor, and a person who does so three or more times in a
4 3 two-year period is guilty of a serious misdemeanor.

4 4 A simple misdemeanor is punishable by confinement for no
4 5 more than 30 days or a fine of at least \$65 but not more than
4 6 \$625 or by both.

4 7 A serious misdemeanor is punishable by confinement for no
4 8 more than one year and a fine of at least \$315 but not more
4 9 than \$1,875.

4 10 LSB 6023SC 82

4 11 tw/nh/5